

m/001/045

Gemstone Mining Inc.
P.O. Box 3413
Cedar City, UT 84721

January 25, 2002

Mr. Tom Munson
Senior Reclamation Specialist
State of Utah
Division of Oil, Gas and Minerals
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

Re: Release of Funds for Reclamation Work Done at Gemstone Mining Inc.'s Red Emerald Mine
and Plant

Dear Mr. Munson:

Please accept these instructions on releasing the funds at your earliest convenience:

Wells Fargo
Trust Account Number 276 014 9928
Routing Number 124 0000 12
Kemp Burdick Hinton and Hall, LLC, St. George, Utah

If you have any questions, feel free to call me at 949-219 1511.

Sincerely,


Dominique Merz
President of GMI Inc.

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JAN 25 2002

DIVISION OF
OIL, GAS AND MINING